

Sales Force Expansion

- Doubled sales force: hiring/training Aug-Oct 2010 (38 to 77 sales reps)
- Newly expanded sales force began call activity Nov 1
 - Significant increase in MS-treating neurologists targeted for sales calls
 - Now also targeting child neurologists for IS sales calls
- MS paid Rx's increased since November 1
 - November matched previous monthly record
 - December set new record
 - January near previous record level
 - February set new record

Infantile Spasms

- Devastating, refractory form of childhood epilepsy
 - Very poor developmental outcome if inadequately treated
- Not responsive to standard anti-epileptic drugs
- Ultra-rare orphan disorder
 - 1,500 to 2,000 patients annually
- Typically occurs in children less than 2 years old
- Characterized by
 - “spasms” -- a specific type of seizure
 - “hypsarhythmia” -- abnormal EEG pattern

Acthar and IS

- Used by over half of child neurologists
- FDA approval 10/15/10
 - 7 year orphan exclusivity for IS indication
- Crisis therapy
- Treatment for 2-4 weeks*
- In a randomized, single-blinded, controlled study, 87% of patients achieved overall response (no spasms and no hypsarrhythmia) at two weeks versus 29% on prednisone
- \$100K-\$125K/Rx
 - About half of patients receive drug for free



*Based on prescription data

IS Sales Plan

- Significant variability in quarterly prescriptions
- Q4-2010 sales within historic range
- Promotion effort began 11/1/10
- Potential to increase IS revenue
 - Acthar currently used to treat 30-50% of IS patients



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Nephrotic Syndrome

- Characterized by excessive spilling of protein from the kidney into the urine (proteinuria)
- Can result in end-stage renal disease (ESRD), dialysis, transplant
- Significant unmet need
 - Few treatment options

Acthar and NS

- FDA-approved on label indication for reduction of proteinuria in:
 - Idiopathic types of nephrotic syndrome
 - Idiopathic membranous nephropathy
 - Focal segmental glomerular sclerosis (FSGS)
 - IgA nephropathy
 - Lupus nephritis
- Treatment for 4-6 months*
- \$150K-250K/Rx



*Based on prescription data

Proof of Concept Data

- Available November 2010
- Case series showed response from Acthar in refractory idiopathic membranous nephropathy (on-label)
 - 9 of 11 patients met response criteria
- Positive signal received in diabetic nephropathy investigator initiated trial (not on-label)
 - 9 of 15 patients on Acthar met response criteria and none have required dialysis

R&D Effort in NS

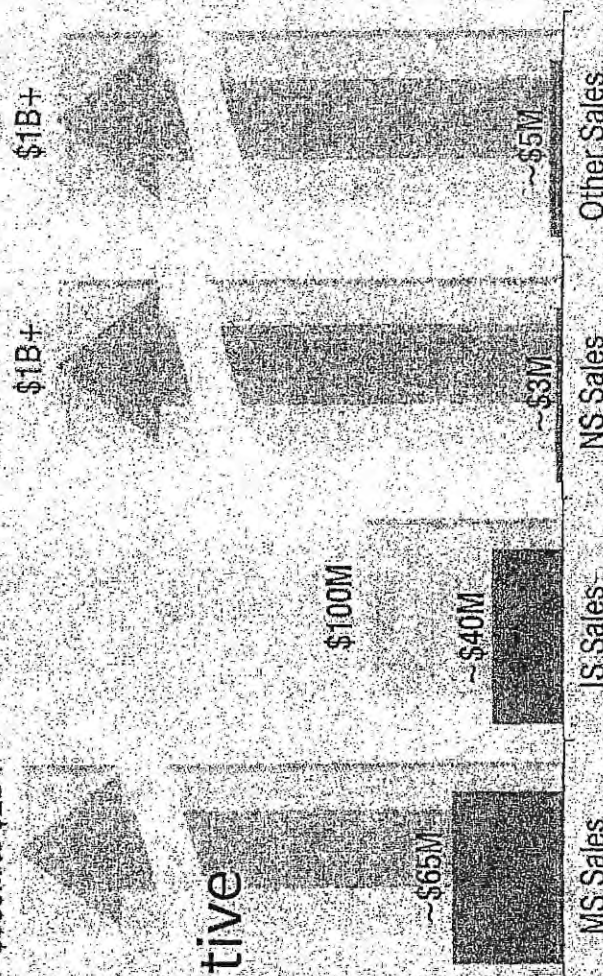
- Dose response trial for idiopathic membranous nephropathy (on-label)
 - \$5-7M multi-center trial, n~100
 - Reduction of proteinuria is endpoint
- Presently designing a well controlled study in collaboration with FDA for diabetic nephropathy (off-label)
 - Proof-of-concept study with different dosing regimens and a placebo
 - Objectives will be to determine if Acthar is efficacious and safe in a placebo controlled study
 - If successful, next step will be a larger Phase II trial

NS Business Plan

- Nov 2010 ASN meeting
 - First meeting with commercial team presence
 - Data presented via podium/posters
 - 30+ doctor advisory board meeting
- Hired 5 reps to sell Acthar to nephrologists
 - Develop selling process and generate sales
 - Initiate sales efforts in early March 2011
 - Expand sales force if sales increase
- Peer review publication of case series in March 2011

Immediate Acthar Growth Opportunities

- MS - Build on sales momentum, lots of market headroom
- IS - Incremental market share growth \$500M to \$2B+
- NS - Establish Acthar as a therapeutic alternative in this sizeable market \$1B+



Represents estimated net sales market opportunity based on internal company estimates

** Represents approximate current net sales annualized run rate based on internal company estimates

Financials

Profitable

Debt Free

Cash Flow Positive

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2010 Financial Results

Record Sales (up 30%) and Solid Earnings (EPS up 35%)

	2010	2009
Net Sales (\$M)	\$115.1	\$88.3
Gross Margin	93%	92%
Operating Inc (\$M)	\$53.8	\$41.2
EPS	\$0.54	\$0.40

